

Registered Disability Savings Plans (RDSPs)

Government incentives in detail

The Canada Disability Savings Grant and Canada Disability Savings Bond can contribute significantly to your RDSP but are only available until the end of the calendar year when the beneficiary reaches age 49. Here's how to maximize your incentives:

Canada Disability Savings Grant			Canada Disability Savings Bond	
Net Family Income Level	Government Incentive	Maximize your grant	Net family income of \$30,000* or less?	Annual amount of \$1,000 no contribution required
Net family income of \$91,831* or less?	\$3 in grant for every \$1 contributed on the first \$500 contributed plus \$2 in grant for every \$1 contributed on the next \$1,000	Contribution of \$1,500 for an annual grant of \$3,500	Net family income between \$30,000* and \$45,916*	An annual amount of up to \$1,000, prorated based on net income, no contribution required
Net family income of more than \$91,831*?	\$1 in grant for every \$1 contributed on the first \$1,000 contributed per year	Contribution of \$1,000 for an annual grant of \$1,000	N/A	N/A

* Government grants and bonds are based on net annual family income of two years earlier. The government sets the income thresholds annually. Illustrated are 2017 income thresholds, based on 2015 net annual income.

Government incentives in action

Peter is 26, single and works part time. With a net annual income of \$22,000, he is eligible for full grants and bonds. In addition, he currently has seven years of unused past grants and bonds. His parents are eager to help out and want to know how much they should contribute to maximize grants. When catching up, the maximum payable each year is \$10,500 in grants and \$11,000 in bonds.

Canada Disability Savings Grant				
Peter's age	Peter's contribution	Canada Disability Savings Bond	Parent's annual Contribution	Canada Disability Savings Grant
26	\$0	\$10,000	\$3,500	\$10,500
27	\$0	\$1,000	\$4,250	\$10,500
28	\$0	\$1,000	\$5,000	\$10,500
29	\$0	\$1,000	\$5,000	\$10,500
30	\$0	\$1,000	\$3,250	\$7,000
31 - 49	\$0	\$1,000 per year until \$20,000 maximum reached	\$1,500 per year until \$70,000 maximum grant is reached	\$3,500